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UNITED STATES DISTRICT COURT
DISTRICT OF SOUTH DAKOTA
SOUTHERN DIVISION

* * * * *

UNITED STATES OF AMERICA,)	4:19-CR-40097
)	
Plaintiff,)	Sioux Falls, South Dakota
)	Courtroom II
-vs-)	
)	February 14, 2022
NATHAN PEACHEY AND)	8:30 a.m.
JOHN RICK WINER,)	
)	
Defendants.)	
)	

* * * * *

PUBLIC TRANSCRIPT OF
SENTENCING HEARING
OF NATHAN PEACHEY

BEFORE THE HONORABLE
KAREN E. SCHREIER
UNITED STATES DISTRICT JUDGE

(PURSUANT TO STANDING ORDER 16-04, PORTIONS OF ALL CHANGE OF
PLEA AND SENTENCING TRANSCRIPTS ARE RESTRICTED)

* * * * *

APPEARANCES:

Counsel for Plaintiff:

Jeremy R. Jehangiri and
Ann Hoffman
U.S. Attorney's Office
PO Box 2638
Sioux Falls, SD 57101-4410

Defendant Nathan Peachey appeared pro se

1 (Ex parte proceedings preceding this matter
2 are contained in separate transcript)

3 THE COURT: And the courtroom is now open to the
4 public.

5 (Courtroom opened)

6 THE COURT: This is the time scheduled for a
7 sentencing in the matter entitled United States of America
8 v. Nathan Peachey.

9 Would the government please note its appearance for
10 the record.

11 MR. JEHangIRI: Good morning, Your Honor. Jeremy
12 Jehangiri on behalf of the United States, along with my
13 colleague, Ann Hoffman.

14 THE COURT: And Mr. Peachey is here representing
15 himself. He no longer wants to have an attorney represent
16 him.

17 Mr. Peachey, is that correct?

18 DEFENDANT PEACHEY: That is correct, Your Honor.

19 THE COURT: And, Mr. Peachey, have you had a chance
20 to review the Presentence Report?

21 DEFENDANT PEACHEY: I've reviewed it; and I have
22 accepted it, signed, and dated the entire report. I have
23 accepted it for the record. Thank you.

24 THE COURT: And the government has had an
25 opportunity to review the Presentence Report?

1 MR. JEHangIRI: Yes, Your Honor.

2 THE COURT: The government had five objections to
3 the report. The report was amended.

4 Do you have any remaining objections that the Court
5 needs to rule on?

6 MR. JEHangIRI: No, Your Honor.

7 THE COURT: There were 18 objections filed by the
8 defense to the report.

9 Mr. Peachey, did you want me to rule on each of
10 those objections?

11 DEFENDANT PEACHEY: Your Honor, I have accepted the
12 report.

13 THE COURT: So you have no objections to the
14 report?

15 DEFENDANT PEACHEY: I'm here on special appearance,
16 not general appearance. I have accepted the report, and the
17 matter is closed.

18 THE COURT: So you don't want me to rule on any of
19 the objections? Is that correct?

20 DEFENDANT PEACHEY: Like I said, I'm here on
21 special appearance, not general appearance. I have accepted
22 the report, signed, and dated the report.

23 THE COURT: So I'm taking from that that the
24 defendant no longer has any objections to the report, and
25 the report will remain as written.

1 Mr. Peachey, if there's anything that you want me
2 to rule on, you'll need to tell me right now --

3 DEFENDANT PEACHEY: Your Honor --

4 THE COURT: -- with regard to the report.

5 DEFENDANT PEACHEY: Your Honor, I have accepted the
6 report. And the government also handed me the Notice of
7 Forfeiture. I have accepted all of that, for the record.
8 Can I hand them a copy of it?

9 THE COURT: Sure.

10 DEFENDANT PEACHEY: May the record reflect that
11 I've accepted the Notice of Forfeiture.

12 THE COURT: You were given a copy of the Notice of
13 Forfeiture.

14 DEFENDANT PEACHEY: And I have accepted it, yes.
15 Will the record please reflect that?

16 THE COURT: The record will reflect that you have
17 accepted the Notice of Forfeiture.

18 I did receive a number of letters, both letters
19 written on behalf of the victims and letters of support for
20 the defendant. And I've reviewed all of the letters. On
21 behalf of Mr. Peachey, letters were submitted by:
22 Mrs. Ammon Sarah Peachey -- there were two letters from
23 her -- Thomas Wengerd, Abram Peachey, Eldon Peachey, Iddo
24 Peachey, Gerald Kurtz Wenger, Linda Bender, Leroy Peachey,
25 Naomi Kanagy, Albert Peachey, Jeff and Gayle Anderson, Crist

1 Peachey, Mary Peachey, Daniel Peachey, Kenny Miller, and
2 Amos Peachey. And then also the defendant had an allocution
3 letter that I reviewed.

4 Victim impact statements were submitted by James
5 Glover, Mark Hall, Robert and Marsha Moller, Jon Kenyon
6 Baird, Sandra Glauser -- and the letter from Jon Kenyon was
7 on behalf of Sally Jane Baird -- Alexander Knox, Dominic
8 Biava, Dennis Brown, Shelley Hyde, Lyle Knox, and Paul
9 Brown.

10 Are there any other letters that I should have
11 reviewed that I haven't identified?

12 MR. JEHANGIRI: Not from the United States, Your
13 Honor.

14 THE COURT: Mr. Peachey, did you submit any other
15 letters that I haven't reviewed?

16 DEFENDANT PEACHEY: I haven't heard you say
17 anything. There again, I'm here by special appearance just
18 to settle the matter so...

19 THE COURT: So I just read the list of letters that
20 were submitted on your behalf, and I'm wondering if there
21 are any other letters that I missed.

22 DEFENDANT PEACHEY: I wouldn't be able to tell that
23 because I didn't see the letters.

24 THE COURT: Okay.

25 Under the Presentence Report the total offense

1 level was determined to be a 41. The defendant is in
2 criminal history category I. The advisory guideline range
3 is 324 to 405 months in custody. Supervised release is one
4 to three years on each count. The defendant would not be
5 eligible for probation. The fine range is \$50,000 to
6 \$500,000. Restitution has been requested in the amount of
7 \$11,835,573. And there's a special assessment on each count
8 of \$100, for a total of \$1,200.

9 Do you both agree?

10 MR. JEHANGIRI: Yes, Your Honor.

11 DEFENDANT PEACHEY: I accept the sentencing report.
12 I have a copy of it here. I've accepted, I've signed it,
13 and I've dated it.

14 THE COURT: Okay.

15 So first I wanted to talk about the restitution.
16 Restitution has been requested in the following amounts:
17 Paul Brown, \$1,500,000; Dennis Brown, \$2,925,000; Alexander
18 Knox, \$1,300,000; Leigh Fairbank, \$1,100,000; Jon Baird,
19 \$480,000; Catherine Glauser, \$500,000; Dominic Biava,
20 \$500,000; Shelley Hyde, \$300,000; Sandra Glauser, \$300,000;
21 William Tennison, \$550,000; Marvin Marttila, \$532,414; Aaron
22 Beiler, \$900,000; Robert and Marsha Moller, \$794,159; Jim
23 and Jane Odle, \$50,000; Gordon Rudebusch, \$10,000; Larry
24 Rudebusch, \$15,000; Randy Hudson, \$10,000; Ria Woodruff,
25 \$10,000; Gerald Dukes, \$20,000; Irma Bittner, \$9,000;

1 Marilyn Rudebusch, \$10,000; and Jeff and Gayle Anderson,
2 \$20,000, for a total of \$11,835,573.

3 Mr. Peachey, any objection?

4 DEFENDANT PEACHEY: I'm here by special appearance,
5 Your Honor, not general appearance. I have accepted the
6 presenting report, and I've signed and dated everything.
7 Thank you.

8 THE COURT: Mr. Jehangiri, any objection from the
9 government?

10 MR. JEHANGIRI: No. That sounds correct, Your
11 Honor. Thank you.

12 THE COURT: So I find that those are the victims
13 and the amounts of restitution that they are entitled to
14 receive.

15 Mr. Peachey, did you want to say anything regarding
16 sentencing?

17 DEFENDANT PEACHEY: The copy that was given to me
18 by John Hinrichs, this is the final copy of it? Presentence
19 Investigation Report?

20 THE COURT: I don't know what you have in your
21 hand.

22 DEFENDANT PEACHEY: He gave that to me in a book.
23 It's the Docket Number 419CR497. And it is --

24 THE COURT: Does it show Docket 272 on the top?

25 MR. JEHANGIRI: Right here (indicating).

1 DEFENDANT PEACHEY: That's the one that we're
2 talking about? Yeah. Okay.

3 I had a couple of other questions regarding that.
4 The Indictments -- I have a copy of the Indictments, two of
5 them. May I approach the prosecution?

6 THE COURT: You may.

7 DEFENDANT PEACHEY: Is this a copy of the
8 Indictment, the Redacted Superseding Indictment, and then
9 Second Superseding Indictment? The 13 pages. The first
10 one -- the first one is 11 pages. Is that correct? It was
11 signed by Dennis Holmes.

12 MR. JEHANGIRI: Okay.

13 DEFENDANT PEACHEY: Is this a copy of it?

14 MR. JEHANGIRI: I don't know. It looks like it is.

15 DEFENDANT PEACHEY: Yes. Thank you. Appreciate
16 it. Here's a copy of the Second Superseding.

17 MR. JEHANGIRI: It looks like what was filed. It
18 doesn't have a file stamp on the top.

19 DEFENDANT PEACHEY: It doesn't have a file stamp on
20 it, but that's what was presented to me.

21 MR. JEHANGIRI: That was under seal so that
22 explains why.

23 DEFENDANT PEACHEY: So, Your Honor --

24 THE COURT: Yes.

25 DEFENDANT PEACHEY: The prosecution just confirmed

1 that this is the two copies of the Indictment. It was a
2 Redacted Indictment, and then sometime later it was the
3 Second Superseding Indictment that was given to me as
4 presented to my attorney. And there is no date on the
5 Indictment. It could be 100 years old. It could be 50
6 years old. But I've accepted that, both of those
7 Indictments. They're dated today. There's no date on the
8 Indictments when they were issued, so I've accepted them as
9 February 14, 2022. I've accepted all of them, front and
10 back signed and dated, and accepted them for the record,
11 please. May I present one to the clerk of court for the
12 record?

13 THE COURT: I just want to check one thing. So the
14 actual documents, the copy that's filed with the clerk the
15 reports, would have a date on the top of each of those
16 documents.

17 DEFENDANT PEACHEY: The presentment that was given
18 to me didn't have a date on, and it wasn't signed -- the
19 Attorney General signed it, but he didn't put a date on it.
20 And so I've accepted that as February 14, 2022, front and
21 back. I've accepted both Indictments for the record. The
22 matter can be closed.

23 I have nothing further.

24 THE COURT: Did you want to say anything about what
25 your sentencing -- we're here for a sentencing hearing.

1 DEFENDANT PEACHEY: I'm here by special appearance,
2 not general appearance. I'm not here to testify or witness
3 to anything. I've accepted the sentencing report.

4 THE COURT: A defendant always has the opportunity
5 to speak before I decide what the sentence is. You filed a
6 long allocution letter. I read all of that. I just wanted
7 to give you the opportunity if you wanted to say anything
8 else that this would be the time.

9 DEFENDANT PEACHEY: Your Honor, like I said before,
10 I'm here by special appearance, not general appearance. I
11 have accepted the Indictments. I've signed and accepted
12 them. There's no controversy between me and the U.S.
13 government anymore. The matter is closed. I have accepted
14 the sentencing presentment that was given to me. I've
15 accepted that. I've signed and dated it. There's no
16 controversy. I'm not here to argue law, fact, or
17 jurisdiction. That's not what I'm here for. I've accepted
18 everything. Thank you.

19 THE COURT: Okay.

20 Did anyone want to say anything on behalf of
21 Mr. Peachey?

22 MR. RUDY PEACHEY: I would, Your Honor.

23 THE COURT: Okay. If you could come up and use the
24 microphone on the podium over here, then I can hear you a
25 little bit better.

1 MR. RUDY PEACHEY: Leave my mask on?

2 THE COURT: Yeah. And what is your name?

3 MR. RUDY PEACHEY: My name is Rudy Peachey. I'm
4 Nathan Peachey's oldest son. I don't really have a lot to
5 say. We didn't know a lot about what was going on. We were
6 here for part of the trial. But I just want to say that we
7 are a family. We've been together my whole life, other than
8 when we were apart traveling, whatnot.

9 We understand what has happened so far, and we
10 respect that. We would just, on behalf of the family -- we
11 understand what needs to be done, but we would like to say
12 that, if it's possible -- you know, there's only two
13 children at home anymore with Mom. And for Dad to be gone
14 for a very long time is going to impact us in more ways that
15 I can mention here. But we -- like I said, we want to
16 respect what needs to be done, but we would also like to ask
17 that that will be taken into consideration.

18 I don't have any wonderful examples or things to
19 say on that, but just that we are a family. And to have Dad
20 at home is important for us as a family. We have many
21 friends and family there at home, and we love our father.
22 And that's pretty much all I have. Thank you.

23 THE COURT: Thank you, Rudy.

24 Did anyone else want to say anything?

25 MR. NIKKEL: I would, Your Honor.

1 THE COURT: Okay.

2 MR. NIKKEL: Good morning, Your Honor. I'm Trevor
3 Nikkel. I'm married to one of Nathan's daughters. And I
4 just would echo what has just been said. We do understand
5 the law and that it appears it has been broken and that that
6 needs to be taken into consideration as well. But that you
7 would just consider that we do need Dad at home as a family
8 man, and especially with children still at home and taking
9 care of Mom and everything. We just ask that you would
10 consider that.

11 THE COURT: Thank you.

12 Did anyone else want to say anything?

13 MR. MILLER: I would, Your Honor.

14 THE COURT: Okay.

15 MR. MILLER: I'm Kenny Miller, a friend of
16 Nathan's. I've known him for over 15 years. And just -- I
17 value him as a friend and a great example of a family man.
18 And I just ask you to consider that. Thank you.

19 THE COURT: Thank you.

20 Anyone else?

21 Mr. Jehangiri.

22 MR. JEHANGIRI: May I approach?

23 Your Honor, this is -- this sentencing involves a
24 defendant that has engaged in what I would term "learned
25 behavior." It's ongoing today in court. I think -- there's

1 no doubt he's a family man. There's no dispute about the
2 family he has at home, his children. The youngest is 16.
3 And I think they are under a spell, like some of the victims
4 are, continued under this ongoing scheme.

5 The victims in this case were impacted
6 significantly. There are retirements gone, lives altered
7 forever, all because they bought into what was supposed to
8 be righteous and good, but it was all a sham. And I think
9 it's still happening right now. This is learned behavior,
10 and he continues to engage in it.

11 This goes to 3553 factor (a)(1). I think it weighs
12 against him for his history and characteristics, as does
13 what I submitted in our response to the Motion for Downward
14 Variance. I believe that -- and the evidence shows -- that
15 Mr. Peachey has been engaged in some sort of fraud scheme
16 for probably over a decade. I can't put my finger on when,
17 but it's been years in the making. And he was engaging in
18 it with his co-defendant, Mr. Winer. And when that started
19 to unravel, it just rolled into something new. And they
20 were able to get these people, these victims, who believed
21 in Christian values, to invest in something that was
22 nonexistent. There's nothing left. So while I appreciate
23 the defendant accepting the restitution amount and whatever
24 terms he's using, the restitution is not going to be paid
25 meaningfully. So, thankfully, we were able to secure

1 assets, and we're making efforts, daily, to try to get those
2 back to the victims so that their lives can maybe take on
3 some normalcy or the plan that they had set out before this
4 all happened to them.

5 Your Honor, as to 3553(a)(2), the need for the
6 sentence imposed, I think some very important things need to
7 be pointed out. One is the defendant's allocution
8 statement. It's absolutely offensive. I've never read
9 anything like it. But what it does is it shows his utter
10 disrespect for the law. And it shows that this Court needs
11 to impose a serious sentence to provide just punishment for
12 the offense and that -- to protect the community from
13 further crimes that this defendant would engage in. It's
14 been an ongoing fraud scheme, and he's finally caught.

15 The allocution attacked everyone and blamed
16 everyone except himself. He's -- it was a shining,
17 disturbing example of narcissism. That is not righteous or
18 Christian-like or whatever you may believe in in any sense
19 of the word.

20 Your Honor, the guideline range calls for a range
21 that's above the statutory max of the offenses of
22 conviction. The United States recommends a sentence in the
23 guideline range. And in order to do so, the Court would
24 need to run consecutive one of those counts. And I'm asking
25 the Court to do so. I think the substantive counts of money

1 laundering -- this money-laundering case was, hands down,
2 the most complicated, complex, sophisticated
3 money-laundering case I've ever seen. There is no heartland
4 for this case. This is in another stratosphere. What he
5 was doing, the manner that he did it in, moving the money
6 and hiding it under these shell names, these alter egos --
7 I've never seen anything like it. The tax returns
8 submitted, all false names. Even the incorporation
9 documents in Washington state, they have a PO box at a UPS
10 Store. Nothing exists. The money-laundering substantive
11 counts can serve as an -- has been a basis to follow what
12 the guidelines say to impose a guideline-range sentence.

13 I also believe, Your Honor, that the obstruction of
14 justice conviction -- I know he gets an enhancement already
15 for that. But I think his letter to the Court is
16 borderline, if not over the line, of obstruction of justice
17 at the sentencing hearing. If you look at the factors that
18 are set forth in the commentary, Application Note 4,
19 Subsections A through I apply in this case. He influenced
20 witnesses by and through others. He submitted false
21 documents to the Court. He tried to influence witnesses at
22 the grand jury, and he did. He had an impact. The letter
23 he sent -- the letters he sent to the multiple grand jury
24 witnesses that we subpoenaed to testify were affected.
25 Their testimony -- it was the most painful day I've ever had

1 at grand jury. There was no one there to cross. The Court
2 knows this, but I'll tell you, that what he submitted to
3 those grand jurors before that session completely altered
4 what they did in front of the grand jury under oath.

5 We have on tape him ordering and Defendant Winer
6 shredding documents.

7 Provision E relates to more specifically to
8 Mr. Winer so -- but I believe that this manifesto is false.
9 His story again changed in the submission to the Court in
10 his allocution statement. He lied on numerous occasions to
11 the agents. There are, I believe, false statements in the
12 PSR concerning the tax documents and the income that was
13 coming into his house.

14 And then finally, I, is actually conduct that would
15 merit obstruction of justice, for which he was convicted.

16 So for those reasons, Your Honor, I believe that
17 this Court can run consecutive the obstruction of justice
18 count and/or the substantive money-laundering counts to that
19 of the conspiracy counts to arrive at a guideline range
20 sentence because of the conduct -- the long-running conduct
21 associated with this case.

22 This defendant was the hub of this fraud scheme.
23 It did not go anywhere without him. Rosier may have been
24 the guy sitting at the castle in Norway, but it was because
25 of this defendant's conduct in getting and spending this

1 money. Rosier also engaged in learned behavior that
2 mirrored that of the former RuSA leader, Turner. But he
3 didn't do much. He just bossed people around and collected.
4 He was kind of a bumbling idiot. The wheels turned with
5 this defendant. And then he paid himself when he wired 1.4
6 or 5 million back to his Pennsylvania account. So that goes
7 to the 3553 factors as well.

8 And I don't cite the factor of deterrence often. I
9 feel like deterrence is a hard factor to meet in most
10 criminal cases involving violent crime, drug crimes, things
11 of that nature. I believe that deterrence is a real thing
12 for the public and for defendants and those who engage in
13 this conduct when the Court imposes a serious sentence in
14 white-collar cases. I feel that this factor under (2)(B) is
15 highly relevant in white-collar cases. And I cite that for
16 the Court's consideration in imposing sentence.

17 The intent involved in these crimes is nothing like
18 I've seen. The phone calls, the nefarious underlying deceit
19 just to rip all these people off is abhorrent.

20 Your Honor, I'd ask the Court to impose a guideline
21 range sentence for those reasons. I'd ask the Court to
22 impose a term of supervised release of three years. The
23 Court has already outlined the amount of restitution. I'd
24 ask that that be imposed for the victims named earlier in
25 the proceeding. I'd ask the Court to find in the judgment

1 that Christian Charity Foundation and Jericho Outreach were
2 alter egos of the defendant and to impose the special
3 verdict, as returned by the jury, regarding that property,
4 those pieces of property: Specifically, the residence in
5 Norway, the vehicle, and the silver. A fine -- no need for
6 a fine.

7 That's all I have, Your Honor.

8 THE COURT: So let me ask on the forfeiture. Will
9 the residence in Norway be sold?

10 MR. JEHangIRI: Yes. We are making -- we are doing
11 what we can. The international nature of this really
12 complicates things. But I'll tell you the folks in my
13 office, the IRS, the FBI, and our partners in Norway are
14 working hard to try to make that happen.

15 THE COURT: And then the items that are forfeited,
16 I assume that that will be applied to the restitution?

17 MR. JEHangIRI: That's my hope. I mean, my hope is
18 that we are submitting to the Court as soon as possible some
19 sort of document attesting to the value of the assets once
20 we are able to liquidate them.

21 THE COURT: So my question is: The items typically
22 would be forfeited to the United States. Instead of that,
23 should the judgment indicate that they're being forfeited to
24 the United States to then be applied to the restitution?

25 MR. JEHangIRI: May I have one moment?

1 THE COURT: You may.

2 (Discussion between government counsel)

3 MR. JEANGIRI: That's fine, Your Honor.

4 THE COURT: Thank you.

5 MR. JEANGIRI: Thank you, Your Honor.

6 DEFENDANT PEACHEY: Your Honor, may I approach the
7 clerk? I've got some documents.

8 THE COURT: You may.

9 The clerk is right over here.

10 DEFENDANT PEACHEY: This is, for the record, the
11 acceptance of delivery of forfeiture, signed and dated, for
12 the one for Christian Charity Foundation. Signed and dated.
13 The acceptance of the Redacted Superseding Indictment.
14 There was no date for when it was issued. It was just
15 dateless, but I dated it 2/14/22, signed and dated by Nathan
16 Peachey. The Second Superseding Indictment. There was no
17 date on it given by the Attorney General. It was
18 open-ended. So I closed it, accepted the presentment
19 February 14, 2022, signed by Nathan Joel Peachey. And the
20 Presentence Investigation Report as accepted and dated,
21 Nathan Joel Peachey, February 14, 2022. Thank you. Nothing
22 more.

23 THE COURT: Mr. Peachey, when I read the report
24 about you and the letters on your behalf, you're a man who
25 was one of many children, and you have a twin. It looked to

1 me like you had some health problems when you were younger,
2 and because of that, you became really interested in helping
3 others through natural medicine, and yourself. You're a
4 dedicated family man and father. You've got five kids
5 between the ages of 16 and 27.

6 At some point you developed some beliefs. And as a
7 result of that, didn't file federal income tax returns for
8 many years and started engaging in acts to defraud others of
9 money. And it started out long before what you were
10 convicted of here. Sometimes you were a partner in those
11 ventures with your co-defendant here, Mr. Winer.

12 From the evidence that I heard during the trial,
13 and particularly one recording of a conversation between you
14 and Mr. Winer, it was clear to me that the two of you had a
15 long-time, ongoing relationship of scamming money from other
16 people. You duped many victims. And during that
17 conversation, you talked about your biggest worry was one of
18 those victims going to law enforcement and basically
19 spilling their guts about what had happened, and that you'd
20 end up getting caught.

21 This scheme that you were charged with here is one
22 of the biggest fraud schemes I've seen: over \$11 million
23 involved. There was 1.5 million that came back directly
24 into your personal account. But you were really the money
25 man that moved all of this money around, moved it from the

1 United States over to Norway. You were involved in
2 purchasing the house in Norway. You were involved in moving
3 the silver bars from the United States over to Norway. So
4 you were integrally involved in this entire thing.

5 The people that invested in this scam are people
6 that were convinced of a number of different reasons as to
7 why they should invest. I think for each investor the
8 scammers were able to figure out what would motivate them,
9 whether it was trying to do religious charitable efforts on
10 behalf of humanity, if it was a guaranteed rate of return to
11 get them to invest. In any event, you were able to figure
12 out what their motivating factor was and gain their trust
13 and get their money.

14 For almost all of the people that wrote in letters
15 that had been investors, they were investing their
16 retirement money, with the understanding that they would get
17 that money back with a good rate of return. They almost all
18 talked about how stressful this has been for them, how they
19 have to work more years now because they've lost their
20 retirement money, and how they had full faith in this
21 investment.

22 This is one of the few cases I've had where the
23 jury actually found that the defendant obstructed justice
24 and found that beyond a reasonable doubt.

25 So after considering all of that, and the fact that

1 it involved over \$11 million, many, many, many victims, many
2 of them who are suffering financially as a result of this
3 investment, I find that a sentence of 300 months of custody
4 is appropriate under the facts here.

5 If you'd please stand, I'm going to state the
6 sentence, but I won't impose it until counsel has had an
7 opportunity to state any objections.

8 DEFENDANT PEACHEY: I'm here by special appearance,
9 Your Honor. I have accepted the Indictment, signed and
10 dated it, returned it. There is no more controversy. It
11 has been closed. I've accepted the sentencing guidelines.
12 Controversy has been closed.

13 Are you making a new offer to me?

14 THE COURT: I'm not making an offer. I'm stating
15 the sentence.

16 DEFENDANT PEACHEY: I will accept your offer.
17 Thank you.

18 THE COURT: Based on the constitutional and
19 statutory authority vested in this Court, it's the judgment
20 of the Court that the defendant, Nathan Peachey, is hereby
21 committed to the custody of the Bureau of Prisons to be
22 imprisoned for 240 months on Count 1, 2, and 8 through 16,
23 which will run concurrently.

24 Regarding Count 17, you'll be imprisoned for a term
25 of 16 months, which will run consecutively to Counts 1, 2,

1 and 8 through 16.

2 When you're released from prison, you'll be on
3 supervised release for a term of three years on each count.
4 They will all run concurrently.

5 Within 72 hours of being released from the custody
6 of the Bureau of Prisons, you'll need to report in person to
7 the probation office in the district where you're released.

8 While you're under supervision, you need to follow
9 the following mandatory conditions:

10 You must not commit another federal, state, or
11 local crime.

12 You must not unlawfully possess a controlled
13 substance.

14 Mandatory drug testing is suspended because I think
15 you pose a low risk of future substance abuse.

16 You must cooperate in the collection of DNA.

17 You must comply with the standard conditions that
18 have been adopted by this Court and with the following
19 special conditions:

20 You must participate in and complete a cognitive
21 behavioral training program as directed by the probation
22 office.

23 You must provide the probation office with access
24 to any requested financial information.

25 You must apply all monies received from income tax

1 refunds, judgments, and unexpected financial gains to the
2 outstanding court-ordered financial obligation.

3 You must submit your person, residence, place of
4 business, vehicle, possessions, computer, smartphone,
5 tablet, or any other Internet-capable device, including
6 passwords, to a search conducted by a United States
7 probation officer without a warrant when the officer has
8 reasonable suspicion of a violation of a condition of
9 supervision.

10 It's further ordered that you must make
11 restitution, joint and several, with John Rick Winer;
12 Frederick Arias, who is yet to be sentenced; and Lubova
13 Burkute, yet to be sentenced, to the following persons and
14 the following amounts:

15 Paul Brown, 1,500,000; Dennis Brown, 2,925,000;
16 Alexander Knox, 1,300,000; Leigh Fairbank, 1,100,000; Jon
17 Baird, 480,000; Catherine Glauser, 500,000; Dominic Biava,
18 500,000; Shelley Hyde, 300,000; Sandra Glauser, 300,000;
19 William Tennison, 550,000; Marvin Marttila, 532,414; Aaron
20 Beiler, 900,000; Robert and Marsha Moller, 794,159; Jim and
21 Jane Odle, \$50,000; Gordon Rudebusch, \$10,000; Larry
22 Rudebusch, \$15,000; Randy Hudson, \$10,000; Ria Woodruff,
23 \$10,000; Gerald Dukes, \$20,000; Irma Bittner, \$9,000; Marlyn
24 Rudebusch, \$10,000; Jeff and Gayle Anderson, \$20,000, for a
25 total of \$11,835,573.

1 Any payment that's not payment in full will be
2 divided proportionately among the persons named.

3 You must notify the United States attorney for this
4 district within 30 days of any change of mailing or
5 residence address that occurs while any portion of the
6 restitution remains unpaid.

7 Payment of the total restitution and other criminal
8 monetary penalties will be due in regular quarterly
9 installments of \$25, or 25 percent of the deposits in your
10 inmate trust account, whichever is greater, while you're in
11 custody; or 10 percent of your inmate trust account while
12 serving custody at a residential re-entry center.

13 Any portion of the monetary obligation not paid in
14 full prior to your release will be due in monthly
15 installments of \$1,000, such payments to begin 30 days after
16 your release.

17 In light of the restitution owed, I find that you
18 do not have the ability to pay a fine, so the fine and
19 interest are waived.

20 It's further ordered that you must pay to the
21 United States a special assessment of \$100 for each count,
22 for a total of \$1,200, which is due immediately.

23 You shall forfeit your interest in the following
24 property to the United States, which will then be applied to
25 the restitution: The residence located at Jongsollen 18,

1 1337 Sandvika, Norway; a vehicle identified as a Mercedes
2 GLC 250 4M, bearing VIN number WDC2539461F049078; and silver
3 coins originally worth approximately \$2,757,862.20 in U.S.
4 currency which were seized in June 2019 pursuant to a search
5 warrant executed at the residence located at Jongskollen 18,
6 1337 Sandvika, Norway.

7 Counsel, are either -- are you aware of any reason
8 why the sentence can't be imposed as I stated?

9 MR. JEHangIRI: No, Your Honor.

10 THE COURT: And, Mr. Peachey, are you aware of any
11 reason why the sentence can't be imposed as I stated?

12 DEFENDANT PEACHEY: Your Honor, I'm here by special
13 appearance. I've accepted the Indictment. I've accepted
14 the sentencing report, signed and dated and returned to the
15 Court. The case has been closed. Thank you. Nothing
16 more.

17 THE COURT: Then the sentence will be imposed as I
18 stated. And you may be seated.

19 MR. JEHangIRI: Your Honor, may I inquire?

20 THE COURT: You may.

21 MR. JEHangIRI: Would the Court enter Jericho
22 Outreach and Christian Charity Foundation as alter egos in
23 its judgment?

24 THE COURT: I don't believe that that's proper to
25 include in a criminal judgment dealing with Mr. Peachey.

1 Mr. Peachey, if you think I made a mistake, and you
2 want to have another court review what I did, you would need
3 to file a notice of appeal within 14 days from today with
4 the Clerk of Courts Office.

5 DEFENDANT PEACHEY: I have one right here. Can I
6 file it now?

7 THE COURT: As soon as we're finished, you can give
8 it to the clerk.

9 The defendant has been on pretrial release. What's
10 the government's position?

11 MR. JEHangIRI: We'd seek his immediate detention,
12 Your Honor.

13 THE COURT: Mr. Peachey, do you want to address
14 that?

15 DEFENDANT PEACHEY: Yes, Your Honor. I'm here by
16 special appearance, and I've accepted the charges of the
17 United States government. I've signed and dated and
18 returned that to the clerk. I've accepted the presentment
19 of the sentencing report, signed and dated and returned it
20 back so it's on the record. As far as I'm concerned, the
21 case has been closed, the controversy with the United States
22 government. Thank you.

23 THE COURT: The defendant has been convicted by a
24 jury, and he has been sentenced. And in light of that,
25 there is a presumption of detention. So I'm going to have

1 the U.S. Marshals take him into custody.

2 We'll be adjourned.

3 (Proceedings concluded at 9:22 a.m.)

4

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6 UNITED STATES DISTRICT COURT)
DISTRICT OF SOUTH DAKOTA : SS CERTIFICATE OF REPORTER
SOUTHERN DIVISION)

7

8 I, Carla Dedula, Official United States District Court
Reporter, Registered Professional Reporter, Certified
9 Realtime Reporter, and Notary Public, hereby certify that
the above and foregoing transcript is the true, full, and
complete transcript of the above-entitled case, consisting
10 of pages 1 - 28.

11

12 I further certify that I am not a relative or employee
or attorney or counsel of any of the parties hereto, nor a
13 relative or employee of such attorney or counsel, nor do I
have any interest in the outcome or events of the action.

14

15 IN TESTIMONY WHEREOF, I have hereto set my hand this
22nd day of March, 2022.

16

17

18 _____
CARLA DEDULA RPR, CRR, CRC
400 S. Phillips Avenue
Sioux Falls, SD 57104
19 Phone: (605) 330-6669
Email: carla_dedula@sdd.uscourts.gov
20 My Commission Expires: May 24, 2026

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